

## Exhibit B

1. INVOICING AND PAYMENT

- A. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the amount specified in the Cost Sheet, Exhibit A-1, which is attached hereto and made part of this agreement.
- B. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than monthly in arrears. See face sheet of contract for location to submit invoices.

2. AVAILABILITY OF FUNDS

All financial obligations of PIA for the fiscal year(s) encompassed by the term of this agreement are subject to the availability and approval of funding by the Prison Industry Board and/or the presence of sufficient funds to cover those obligations in the fund from which those obligations are to be paid; if such funds are not available or approved, said obligations are null and void, and PIA may immediately terminate this agreement. If such obligations are or become contingent on funding by and/or through the State budget or on the availability or federal funds or on the action of any Legislative body, said obligations are contingent on the appropriation and availability of funds for the purpose of meeting those obligations. If insufficient funds are approved or appropriated or otherwise available in order to meet PIA's obligations under this agreement, said obligations are null and void, and PIA may immediately terminate this agreement.

3. PROMPT PAYMENT CLAUSE

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

4. CASH DISCOUNTS

PIA has a history of taking cash discounts and intends to take advantage of cash discounts offered when they are in the best interest of the State.